THE MINISTER OF STATE OF THE MINISTRY OF FOOD (SHRI KALP NATH RAI) : (a) The stock position of foodgrains (wheat and rice) as on 31st October, 1994 in the Central Pool was 304.16 lakh tonnes (provisional).

(b) and (c) The stocks of foodgrains (wheat & rice) in the Central Pool, at present continue to be comfortable and are far in excess of minimum buffer norms prescribed. The stocks of foodgrains in the Central Pool, are built up by procurement of wheat and paddy from the farmers and levy rice from the millers/traders. The procurement of wheat and paddy from the farmers under the price support operation, is done at Minimum Support Prices at which the farmers sell wheat and paddy to the Government/its agencies. They are free to sell their foodgrains in the open market if they get higher prices. It is compulsory for the Government to producer foodgrains of FAO offered by the farmers but is voluntary for the farmers to sell the foodgrains to the Government. Hence the buffer stock in the Central Pool automatically increases/decreases depending upon the quantity of foodgrains procured under the price support operation from year to year.

**Anticipated Shortfall in Sugar**

1531. SHRI VIRENDRA KATARIA : Will the Minister of FOOD be pleased to state :

(a) what was the anticipated shortfall in the sugar output in November, 1993.

(b) whether any proposal was mooted for the import of one million tonne of sugar ;

(c) if so, the details thereof; and

(d) whether it is also a fact that drastic reduction in the monthly release of sugar both on the PDS and free sale accounts was made and if so, the reasons therefor ?

THE MINISTER OF STATE OF THE MINISTRY OF FOOD (SHRI KALP NATH RAI) :

(a) The Sugar production during the month of November, 1993 was 8.94 lakh tonnes as against 7.72 lakh tonnes in November, 1992.

(b) and (c) Keeping in view the likely low level of sugar production during the 1993-94 season, various options including import of sugar, to meet the requirements of the public Distribution system were considered.

(d) The allocation of levy sugar quota of 3.35 lakh tonnes per Month ensuring for most of the States/UTs minimum per capita availability of 425 gms for the projected population as on 1-10-1986 was continued during 1993-94 season. However, ad-hoc allocation of 5% in the levy quota of all States/UTs allowed since August, 1991 was discontinued from the month of April, 1994. Keeping in view the decline in sugar production during 1993-94 sugar season the release of free sale sugar has been regulated judiciously. The sugar production which reached a record high of 134.11 lakh tonnes in 1991-92 season, declined on 106.09 lakh tonne during 1992-93 season and was about 98.12 (provisional) lakh tonnes during 1993-94 season.

**Recommendation For Issuance of Sugar Licences**

1532. SHRI KRISHNA KUMAR BIRLA : Will the Minister of FOOD be pleased to state :

(a) whether his Ministry had made certain recommendations to the Licensing Committee for the issuance of sugar licences during the current year ;

(b) if so, what are the details thereof stating the criteria for recommending the issuance of sugar licences; and

(c) what are the details of the recommendations accepted by the Licensing committee ?

THE MINISTER OF STATE OF THE MINISTRY OF FOOD (SHRI KALP NATH RAI) : (a) Ministry of Food has not made any recommendations to the licensing Committee for the issuance of sugar licences for setting up of new sugar factories during the current sugar year 1994-95 (October-September).

(b) & (c) : Does not arise

**Newspaper Report on Levy-Free Ration**

1533. SHRI RAMDAS AGARWAL : Will the Minister of FOOD be pleased to state :

(a) whether Government's attention has been drawn to a news item published in the Hindustan Times dated 22nd November, 1994 captioned "Current Levy Free ration for Sugar favoured".

(b) if so, what is the present stock of imported sugar for 1994-95 season available for utilisation for Public Distribution System, leaving scope to carry forward 7-8 lakh tonnes for the next crushing season ;

(c) whether Government propose to purchase sugar by inviting tenders for imported sugar from private parties and also consult State Governments producing enough sugar before making further direct imports; and

(d) whether Government are favouring/proposing to freez licensing for new units for some time instead of delicensing as reportedly stated by the Prime Minister recently in Karnataka; if so, the details thereof ?

THE MINISTER OF STATE OF THE MINISTRY OF FOOD (SHRI KALP NATH RAI) : (a) Yes, Sir.

(b) A quantity of about 9.77 lakh tonnes of sugar has been imported recently for meeting the requirements of the Public Distribution System. Of this, a quantity of 1 lakh tonne was allocated for distribution during the 1993-94 season leaving a balance of 8.77 lakh tonnes, for utilisation during the 1994-95 season.

(c) There is no such proposal at present to purchase imported sugar from the private importers.

(d) The licensing policy, including the option of delicensing, is presently under the consideration of Government.

**Plan for Farmers for Free Movement of their Products**

1534. SHRI RAM JETHMALANI : Will the Minister of FOOD be pleased to state whether Government have any plans to enable the farmers free movement of their products including the right to export and compete in the international market ?

THE MINISTER OF STATE OF THE MINISTRY OF FOOD (SHRI KALP NATH RAI):

The Government has already decided to treat the entire country as a single Food Zone for the movement of foodgrains after ensuring that it does not have any adverse effects. All the States/Union Territories except Andhra Pradesh, Jammu & Kashmir, West Bengal and Tamil Nadu have implemented the above policy. These States are also being pursuaded to consider the matter and remove the movement restrictions on foodgrains. Under Export/Import Policy, the farmers are also eligible to export foodgrains and food products alongwith others subject to fulfilment of general conditions applicable to all exporters in this regard. However, it is the Policy of the Government to all the export of items of mass consumption in such a manner that it does not compromise our Food Security System.

**Permissioin to Release More Foodgrains**

1535. SHRI SUSHILKUMAR SAMBAJIRAO SHINDE : Will the Minister of FOOD be pleased to state :

(a) whether it is a fact that the Food Corporation of India has sought permission to release more foodgrains at lower prices and export at lower than economic cost to tide over the mounting stocks resulting from high procurement and low sales through public distribution system ;

(b) if so, the details thereof; and

(c) what decision Government propose to take in this matter ?

THE MINISTER OF STATE OF THE MINISTRY OF FOOD (SHRI KALP NATH RAI) :

(a) to (c) The Government have authorised the Food Corporation of India (FCI) to sell 50 Lakh Metric Tonnes of wheat upto December, 1997 and 15 Lakh Metric Tonnes of rice from the Central Pool upto September, 1995 in the open market, the Food Corporation of India is continuing the open sale operation at the prices fixed from time to time which are normally below the economic cost. From October, 1993 to November, 1994 about 45.39 Lakh Metric Tonnes of wheat has been sold in the open market. From January to November, 1994 about 2.04 Lakh Metric Tonnes of rice has been sold in open market.

The Government has allowed the export of 5 Lakh Metric Tonnes of non-durum wheat without Minimum Export Price from the open market during the 1994-95 and Food Corporation of India is also eligible to export wheat within the said ceiling subject to certain conditions. The Food Corporation of India has not exported any quantity so far. Recently Food Corporation of India has also been authorised to sell initially 50,000 Metric Tonnes of wheat from the Central Pool to the State Trading Corporation at prevailing open sale prices for the purpose of export. No decision has been taken to export rice from he Central Pool.